

June 23, 2006

Manuel T. Gonzalez **Executive Director** PHOENIX 251 WEST WASHINGTON STREET PHOENIX, AZ 85003

Dear Manuel T. Gonzalez:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ00100106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$815,952 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ00100106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

Erik Strunk **Executive Director GLENDALE** 6842 NORTH 61ST AVENUE GLENDALE, AZ 85301

Dear Erik Strunk:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ00300106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$60,227 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ00300106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

**EMILY NOTTINGHAM Executive Director** TUCSON P.O. BOX 27210 TUCSON, AZ 85726

Dear EMILY NOTTINGHAM:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ00400206D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$669,293 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ00400206D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

MICHAEL GOUHIN **Executive Director** FLAGSTAFF P.O. BOX 1387 FLAGSTAFF, AZ 86002

Dear MICHAEL GOUHIN:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ00600206D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$162,400 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ00600206D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely



June 23, 2006

Fran McHugh **Executive Director** WINSLOW P.O. BOX 1391 WINSLOW, AZ 86047

Dear Fran McHugh:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ00800106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$49,940 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ00800106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

Alphonso Patrick **Executive Director** MARICOPA COUNTY 2024 N 7TH STREET SUITE101 PHOENIX, AZ 85006

Dear Alphonso Patrick:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ00900106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$402,374 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ00900106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

ADELINE ALLEN **Executive Director** PINAL COUNTY 970 N ELEVEN MILE CORNER RD CASA GRANDE, AZ 85222

Dear ADELINE ALLEN:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ01000106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$72,758 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ01000106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

Barry Norman **Executive Director** YUMA COUNTY P.O. BOX AJ SOMMERTON, AZ 85350

Dear Barry Norman:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ01300606D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$173,325 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ01300606D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

Trina Masters **Executive Director ELOY** P.O. BOX 637 ELOY, AZ 85231

Dear Trina Masters:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ02100106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$27,454 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ02100106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

Rebecca Swanson **Executive Director** NOGALES P.O. BOX 777 NOGALES, AZ 85621

Dear Rebecca Swanson:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ02300106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$133,318 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ02300106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

Marilyn Chico **Executive Director** SOUTH TUCSON 1713 S THIRD STREET SOUTH TUCSON, AZ 85713

Dear Marilyn Chico:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ02500106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$117,432 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ02500106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

Kurt Knutson **Executive Director CHANDLER** 127 N. KINGSTON ST. CHANDLER, AZ 85225

Dear Kurt Knutson:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ02800106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$96.318 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ02800106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

Kenneth Finlayson **Executive Director** YUMA CITY 1350 W. COLORADO ST. YUMA, AZ 85364

Dear Kenneth Finlayson:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ03500106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$167,792 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ03500106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

WILLIAM PATENA **Executive Director PEORIA** P.O. BOX 38 PEORIA, AZ 85345

Dear WILLIAM PATENA:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ03800106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$32,783 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ03800106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.



June 23, 2006

Debbie Fuller **Executive Director** WILLIAMS 113 SOUTH FIRST ST. WILLIAMS, AZ 86046

Dear Debbie Fuller:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,

LOCCS/PAS Project No: AZ04100106D.

In accordance with PIH Notice 2005-31, Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy, this letter obligates \$16,451 of operating subsidy for the months of July, August, and September of 2006 for PAS Project No: AZ04100106D. This amount represents nine months of subsidy eligibility, adjusted both for proration and for any amount already obligated for the first six months of the year. This funding cycle has a provisional proration level equal to 85.5 percent of FFY 2006 operating subsidy eligibility. The proration considers that, for FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. A rescission of 1 percent reduced the amount of funds available to \$3.564 billion.

In accordance with PIH Notice 2005-35, Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables, PHAs must submit their FFY 2006 revisions by July 7, 2006. Until these revisions are processed, the Department will not be able to determine final proration level for FFY 2006. The final proration level will be established in the obligation for the final quarter.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely.